



## **PENSION BENEFIT GUARANTY CORPORATION**

### **Submission of Information Collection for OMB Review; Comment Request; Survey of Nonparticipating Single Premium Group Annuity Rates**

**AGENCY:** Pension Benefit Guaranty Corporation.

**ACTION:** Notice of request for extension of OMB approval, with modifications.

---

**SUMMARY:** The Pension Benefit Guaranty Corporation (PBGC) is requesting that the Office of Management and Budget (OMB) extend approval, under the Paperwork Reduction Act, of a collection of information with modifications. The purpose of this information collection is to survey insurance companies that provide group annuities for premium rates and related information to calibrate actuarial interest rate assumptions. The American Council of Life Insurers conducts this voluntary survey for PBGC. This notice informs the public of PBGC's request and solicits public comment on the collection.

**DATES:** Comments must be submitted by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

**ADDRESSES:** Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](https://www.reginfo.gov/public/do/PRAMain). Find this particular information collection by selecting “Currently under 30-day Review - Open for Public Comments” or by using the search function.

A copy of the request will be posted on PBGC’s web site at <https://www.pbgc.gov/prac/laws-and-regulation/federal-register-notices-open-for-comment>. It may also be obtained without charge by writing to the Disclosure Division of the Office of the General Counsel of PBGC, 1200 K Street, NW, Washington, DC 20005-4026; faxing a request to 202-326-4042; or, calling 202-326-4040 during normal business hours (TTY users may call the Federal Relay Service toll-free at 800-877-8339 and ask to be connected to 202-326-4040). The Disclosure Division will e-mail, fax, or mail the information to you, as you request.

**FOR FURTHER INFORMATION CONTACT:** Hilary Duke (*duke.hilary@pbgc.gov*), Assistant General Counsel for Regulatory Affairs, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street NW, Washington, DC 20005-4026, 202-229-3839; or Gregory Katz (*katz.gregory@pbgc.gov*), Attorney, Regulatory Affairs Division, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW, Washington, DC 20005-4026, 202-229-3829. TTY users may call the Federal Relay Service toll-free at 800-877-8339 and ask to be connected to 202-229-3839 or 202-229-3829.

**SUPPLEMENTARY INFORMATION:** PBGC’s regulations prescribe actuarial valuation methods and assumptions (including interest rate assumptions) to be used to determine the actuarial present value of benefits under single-employer plans in involuntary or distress terminations (29 CFR part 4044) and the value of benefits and certain assets under multiemployer plans that undergo a mass withdrawal of contributing employers (29 CFR part 4281). In each month immediately preceding the start of a new calendar quarter, PBGC publishes the interest rates to be used under those regulations for plans terminating or undergoing mass withdrawal during the next quarter.

The interest rates are intended to reflect current conditions in the annuity markets. To determine these interest rates, PBGC gathers premium rate data from insurance companies that are providing group annuity contracts to terminating pension plans through a quarterly survey. The American Council of Life Insurers (ACLI) distributes the survey and provides PBGC with “blind” data (*i.e.*, PBGC is unable to match responses with the insurance companies that submitted them). PBGC also uses the information from the survey in determining the interest rates it uses to value benefits payable to participants and beneficiaries in PBGC-trusted plans for purposes of PBGC's financial statements.

PBGC is proposing several changes to the survey distributed by ACLI:

- Addition of a question asking for specific information about the interest assumptions underlying the annuity premium rates reported in parts I and II of the survey. This information is needed to allow PBGC to better analyze annuity price data provided in the survey.

- Increases to the dollar ranges in the questions on respondents' group annuity business in part III to allow the survey to continue to capture the variability and range of business accepted by respondents as the prices of plan termination annuity contracts increase with inflation.

- Changes to the instructions to clarify that respondents should provide pricing information only for full plan terminations (and transactions priced consistently with full plan terminations), that the annuity premium rates provided should include reductions for investment expenses but exclude administrative expenses, and that respondents should assume that plan provisions are straightforward and do not contain significant levels of anti-selection, expensive options, or subsidies.

- Addition of a confirmation that administrative expenses are excluded from pricing information and an option to comment on any exceptions. This is needed for PBGC to compare pricing information amongst survey responses when respondents are unable to completely exclude administrative expenses from pricing information.

- Consolidation and simplification of former parts III and IV into a new part III and elimination of questions asking for information PBGC no longer uses. These changes streamline and simplify the response process.

- Modification of a question asking for the volume of respondents' plan termination annuity business so that it requests annual data instead of quarterly data to reduce volatility in survey responses.

- Addition of a question soliciting feedback on how PBGC could improve the survey process.

- Addition of flexibility to conduct the survey electronically.

This voluntary survey is directed at insurance companies most, if not all, of which are members of ACLI. The survey is conducted quarterly and approximately 20 insurance companies will be asked to participate.

The existing collection of information was approved under OMB control number 1212–0030 (expires August 31, 2021). On April 1, 2021, PBGC published in the Federal Register (at 86 FR 17217) a notice informing the public of its intent to request an extension of this collection of information, as modified. No comments were received. PBGC is requesting that OMB extend approval of the collection (with modifications) for three years. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

PBGC estimates that about 6 insurance companies will respond to the survey each quarter, and that each survey will require approximately 30 minutes to complete and return. The total burden is estimated to be 12 hours (30 minutes per survey x 4 surveys per year x 6 respondents per quarter).

Issued in Washington, DC by

**Hilary Duke,**

*Assistant General Counsel for Regulatory Affairs,  
Pension Benefit Guaranty Corporation.*

[FR Doc. 2021-12362 Filed: 6/11/2021 8:45 am; Publication Date: 6/14/2021]